



November and December 2008

WHATCOM COUNTY FSA NEWS

Whatcom County FSA

6975 Hannegan Road
Lynden, WA 98264-9019
Phone: 360-354-5658
Fax: 360-354-4678

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Ed Strachila, Chair
Debbie Smit, V-Chair
Dan Noteboom, Member
Satpaul Neger, Advisor

Office Staff

Darcy Maldonado, ACED
darcy.maldonado@wa.usda.gov

Betty Snell, PT
betty.snell@wa.usda.gov

Beatrice Cochran, PT
Bea.cochran@wa.usda.gov

Farm Loan Staff

Mark Turner, FLM
mark.turner@wa.usda.gov

Marlene Garber, PT
Marlene.garber@wa.usda.gov

National USDA Website

<http://www.usda.gov>

National FSA Website

<http://www.fsa.usda.gov>

State FSA Website

<http://www.usda.gov/wa>

Next COC Meeting

December 4, 2008
9:00 AM

DATES TO REMEMBER

November 27 – Office Closed
for Thanksgiving Observation

December 1 – NAP Extension
on Fall Planted and Perennial
Crops

December 1 – Last day to Vote
for COC Election

December 25 – Office Closed
for Christmas

January 1 – Office Closed for
New Years



Deadlines for Non-Insured Crop Disaster Assistance Program

The application closing date to purchase coverage for the 2009 crop year for fall planted and perennial crops such as raspberries, apples, and honey crops under the Non-insured Crop Disaster Assistance Program (NAP) *has been extended to December 1, 2008.*

To be eligible for NAP benefits, production loss must be attributed to adverse weather conditions. Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident.

Producers pay an application fee of \$250 per crop with a \$750 cap per county. The maximum for multiple crops in more than one county is \$1,875. In return, you receive a payment if all eligibility requirements have been met and the crop suffers greater than a 50% production loss for weather related damages. Contact the county office if you would like more information or are interested in applying for NAP coverage.

COC Elections – Make Your Vote Count

County Committee elections are underway. On November 3, ballots were sent to all producers in LA1 which is west of the Guide. The deadline for returning the ballots to the county office is December 1, 2008.

The County Committee is a unique system under which Federal farm programs are to be administered locally. Producers who are eligible to participate in these programs elect a three-to five-person County Committee, which reviews county office operations and makes some of the decisions on how to apply the programs. This grassroots approach gives you a much-needed say in how Federal actions affect your operations. After more than 70 years, it remains a cornerstone of FSA's efforts to preserve and promote American agriculture.

County FSA committee elections are held annually. Candidates are nominated by local farmers and ranchers, and must live in the County or local administrative area they will represent and must be eligible to vote in the County election.

The nomination for LA 1 is *Debra (Debbie) Smit, Lynden*. Debbie and her husband, Robert, own and operate a dairy, where they raise grass and corn silage. They are also involved in the operation of Smit Dairy Compost. Debbie currently serves as Vice-Chair on the FSA Committee.

Contact the FSA office if you need a ballot or additional information.

Milk Income Loss Contract Program (MILC)

The MILC program signup will be announced shortly. We will contact producers to set up appointments. There are some changes in the new MILC program such as an increase in the capped production to 2,985,000 lbs until September 1, 2012 when the cap returns to the 2,400,000 lbs. Producers will need to meet the Adjusted Gross Income Certification, where adjusted non-farm income is less than \$500,000. The payment rate calculation percentage has been increased to 45% until September 1, 2012 then returns to the 34% rate. The last change in the MILC program has a feed cost adjustment based on the National Base Feed Cost (NBFC). If the NBFC is less than \$7.35/cwt, increase \$16.94 by 45% of the percentage by which the cost exceeds \$7.35.

Foreign Investors 90 Day Reporting Rule

Foreign owners of U.S. agricultural land are required by law to report your land holdings, acquisitions, leases of 10 years or more, and land use changes within 90 days of these transactions. Report these changes to the local FSA office. Failure to report these changes can result in a civil penalty of up to 25 percent of the fair market value of your interest in agricultural land.

New Policy for Direct and Counter-Cyclical Program (DCP) for 10 acres

The new farm bill of 2008 provided that a producer on a farm will not receive direct payments, counter-cyclical payments, or average crop revenue election payments if the sum of the base acres of covered commodities on the farm is 10.0 acres or less. This has been commonly been referred to as the "10-acre provision."

H.R.6849 was enacted on October 13, 2008. This suspended the 10.0 acre provision for the 2008 crop year. This also extended the 2008 DCP signup for farms with 10.0 base acres or less until November 26, 2008.

Producers were sent their contracts of 10.0 acres or less. If you think you should have received a DCP Contract please contact our office. If you were sent 10 acres or less DCP Contracts please **return them by November 26, 2008.**

Beginning Farmer and Rancher Financing

FSA's loan programs are designed to help family farmers who are temporarily unable to obtain commercial credit. In many cases, these are beginning farmers who have insufficient net worth to qualify for commercial credit.

The law also requires FSA to reserve or target loan funds for exclusive use by beginning farmers.

A beginning farmer or rancher is an individual or entity who:

- Has not operated a farm or ranch for more than 10 years
- Substantially participates in the operation
- For Farm Ownership loan purposes, does not own a farm greater than 30 percent of the average size farm in the county
- For Farm Ownership loan purposes, must have participated in the business operation of a farm for at least three years.

Maximum amounts of indebtedness are \$300,000 for Direct Loans and \$1,094,000 (amount varies annually based on inflation) for Guaranteed Loans.

FSA has a special down payment program to assist socially disadvantaged and beginning farmers and ranchers to purchase a farm or ranch. This program also provides a means for retiring farmers and ranchers to transfer their land to a future generation. The applicant provides 5% down payment, FSA lends 45% of the amount financed, and another lender provides 50 percent. FSA will charge a reduced interest rate on the loan.

Joint financing arrangement may also be a choice with FSA lending up to 50% to the amount financed and another lender provides 50% or more. Contact the offices for rates and terms.

Eligible beginning farmers and ranchers are given first priority to purchase FSA acquired properties at the appraised market value for the first 135 days after acquisition. For more information about FSA loan programs, contact Mark S. Turner, 360-354-5658, ext 106.